

## Message Text

CONFIDENTIAL

PAGE 01 JIDDA 04645 110912Z

11

ACTION SS-30

INFO OCT-01 ISO-00 /031 W

----- 036199

R 110845Z AUG 74

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 8210

INFO AMCONSUL DHAHRAN

C O N F I D E N T I A L JIDDA 4645

EXDIS

E.O.: 11652: GDS

TAGS: EFIN, OGEN, SA

SUBJ: SAUDI PURCHASE OF SPECIAL TREASURY ISSUES STILL  
UNDER ADVISEMENT

REF : JIDDA 4526

1. MINISTER OF STATE FOR FINANCE MOHAMED ABAL-KHAIL TOLD CHARGE AUGUST 9 THAT IN LATE JULY AND EARLY AUGUST HE, TOGETHER WITH MINISTER OF FINANCE PRINCE MUSA'ID AND MONETARY AGENCY GOVERNOR ANWAR ALI, HAD REVIEWED QUESTION OF SAG PURCHASE OF SPECIAL TREASURY ISSUES.

2. ABAL-KHAIL REGRETTEED THAT THIS MATTER HAD THEREAFTER BEEN TEMPORARILY SHELVED SO MONETARY OFFICERS COULD PREPARE FOR SECOND CONFERENCE OF MUSLIM FINANCE MINISTERS THAT BEGINS IN JIDDA AUGUST 10. ABAL-KHAIL SAID MINISTRY OF FINANCE WAS THIN ON EXECUTIVE AND ADMINISTRATIVE TALENT AND THAT HE AND HIS DEPUTY HAD EVEN TAKEN A PERSONAL HAND IN CAR ASSIGNMENTS AND HOTEL RESERVATIONS FOR CONFERENCE. HE HOPED HE, PRINCE MUSA'ID AND GOVERNOR ALI COULD RESUME THEIR CONSIDERATION OF MATTER AFTER NEXT WEEKEND (I.E. O/A AUGUST 17) WHEN HIS SCHEDULE SHOULD BE MORE FREE.

3. ABAL-KHAIL SAID NOTHING TO INDICATE WHAT POSITION THE SAG WOULD FINALLY TAKE ON PURCHASE OF TREASURY  
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ISSUES. WE KNOWN, HOWEVER, FROM DISCUSSION WITH AHMAD

ABDUL LATIF (SAMA'S FOREIGN EXCHANGE DIRECTOR) AND  
GOVERNOR ALI THAT EURO-DOLLAR HOLDERS HAVE EXPRESSED  
CONCERN TO SAMA ABOUT THE EFFECTS ON THE TIGHT EURO-DOLLAR  
MARKET OF A MASSIVE DIVERSION OF SAUDI MONEY INTO THE US.  
HORAN

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GOVERNMENT BONDS, FOREIGN INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 AUG 1974  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** cunninfx  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974JIDDA04645  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Original Handling Restrictions:** EXDIS  
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**Previous Handling Restrictions:** EXDIS  
**Reference:** JIDDA 4526  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** cunninfx  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 26 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Referrals:** n/a  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SAUDI PURCHASE OF SPECIAL TREASURY ISSUES STILL UNDER ADVISEMENT  
**TAGS:** EFIN, OGEN, SA, US, (ABAL-KHAIL, MOHAMED), (MUSA'ID, PRINCE)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005